

(c) Detailed engineering has been completed and work is in progress for production and laying of pipes, construction of treatment plants, reservoirs, etc. The project is expected to be completed by 30.12.2000.

Co-operative Banks

6080. SHRIMATI KETAKI DEVI SINGH:

KUMARI UMA BHARATI :

SHRI PANKAJ CHOWDHARY :

SHRI CHHATARSINGH DABAR :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to provide special assistance to the cooperative banks functioning in rural areas to enable these banks to come out of financial crisis;

(b) if so, the details thereof alongwith the time by which final decision is likely to be taken;

(c) whether there is any proposal to constitute a Central Fund for the purpose; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI. M.P. VEERENDRA KUMAR) : (a) to (d) Presumably, the Hon'ble Members are referring to schemes to strengthen the capital base of co-operative banks. It may be stated that unlike public sector commercial banks and regional rural banks where the Central Government directly contributes to the share capital, shareholding of State Co-operative Banks and District Co-operative Banks is contributed by their members and the State Government. To some extent, National Bank for Agriculture and Rural Development (NABARD) provides long-term loans to State Governments to enable them to contribute to the share capital of co-operative credit institutions.

On the initiatives of NABARD, State Co-operative Banks and District Central Co-operative Banks in all States have drawn up Development Action Plans (DAPs) for improving their functioning and attaining sustainable viability and based on such plans, NABARD has already entered into Memoranda of Understanding with the State Governments as well as the State/District level co-operative banks for ensuring implementation of the said DAPs.

[English]

Residuary Non-Banking Companies

6081. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently issued directions to all residuary Non-banking companies that they should discount only bonafide trade bills; and

(b) if so, the details thereof and the reasons

thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Yes, Sir. Reserve Bank of India (RBI) have advised all Non-Banking Financial Companies (NBFCs), Miscellaneous Non-Banking Companies (MNBCs) and Residuary Non-Banking Companies (RNBCs) to discount only bonafide trade bills. RBI have further cautioned the Companies that any money received by way of rediscounting of bills which are not supported by genuine trade transactions will be treated as regulated deposits.

According to RBI it had come to their notice that certain non-banking financial companies received moneys by way of rediscounted of bills of exchange with other corporate bodies, societies, trusts, educational institutions, individuals etc. and in many cases those bills did not arise out of genuine business transactions and were merely in the nature of accommodation bills. The purported rediscounting of such bills was a deposit-taking activity disguised in the form of rediscounting of bills and was resorted to with a view to circumventing RBI's directions on matters relating to deposit taking activities.

Shortage of Drinking Water

6082. KUMARI FRIDA TOPNO: Will the PRIME MINISTER be pleased to state :

(a) the steps taken or proposed to be taken to provide drinking water to drought affected areas of western Orissa;

(b) the amount sanctioned by the Union Government for the purpose, district-wise;

(c) whether the Government have any action plan for the permanent solution of water scarcity in the region; and

(d) if so, the details thereof and the time limit fixed and for the implementation of the same ?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : (a) to (d) The Ministry of Rural Areas & Employment has stated that supply of safe drinking water facilities in the not covered and partially covered habitations including those in the drought affected areas is undertaken under the Accelerated Rural Water Supply Programme, Minimum Needs Programme, Basic Minimum Services and DPAP Calamity Relief Fund, etc. The allocation under the Accelerated Rural Water Supply Programme for 1997-98 is Rs. 41.73 crores out of which Rs. 12.51 crores has already been released. The district-wise releases are decided by the State Government. It has been further informed that the State Government of Orissa has an action plan to cover all not covered/partially covered habitations to provide sustainable sources by using resources available under various programmes. All the not covered habitation are proposed